

Fast Facts on California's International Economy

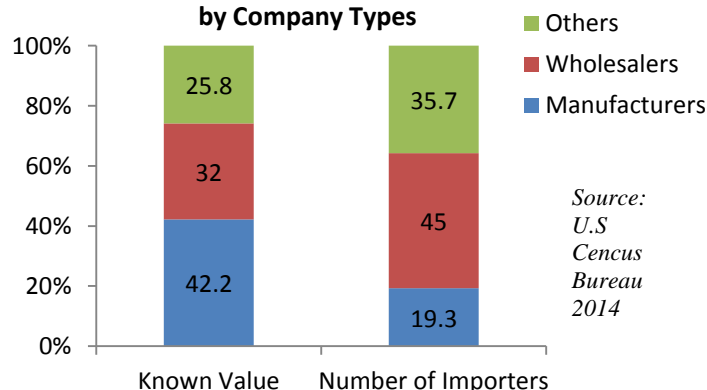
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If California were a country, it would stand among the ten largest economies in the world, with a 2015 state GDP of \$2.4 trillion.¹ In 2015, California imports and exports totaled \$573 billion, representing 15.3% of total U.S. imports and exports. Exports out of California were valued at \$165.3 billion in 2015 and represented 11 % of total U.S. exports.² Imports into California were valued at \$408.1 billion in 2015 and represented 18.2% of total U.S. imports.³

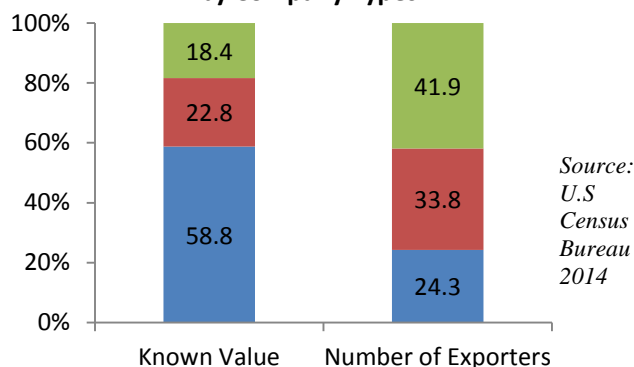
California and World Markets

- In 2015, California's GDP totaled \$2.4 trillion making it the 6th largest economy in the world.⁴
- California exported \$165 billion in products in 2015 as compared to \$174 billion in 2014 and \$168 billion in 2013.⁵
- California's largest export market is Mexico, where the value of exports totaled \$26.8 billion in 2015. After Mexico, California's top export markets in 2015 were: Canada (\$16.9 billion); China (\$14.4 billion); Japan (\$11.7 billion); Hong Kong (\$8.7 billion); South Korea (\$8.6 billion); Taiwan (\$7.8 billion); the Netherlands (\$5.6 billion); Germany (\$5.3 billion); and the United Kingdom (\$5.1 billion).⁶
- California's top five exports in 2015 were: Computer & Electronic Products (\$43.1 billion); Transportation Equipment (\$17.6 billion); Machinery, Except Electrical (\$15.1 billion); Miscellaneous Manufactured Commodities (\$13.6 billion); and Chemicals (\$13.3 billion).⁷
- California exported \$26.8 billion in products to Mexico in 2015. The top five exports to Mexico were: Computer and Electronic Products (\$6.7 billion); Transportation Equipment (\$2.9 billion); Machinery, except Electrical (\$2 billion), Chemicals (\$1.7 billion), and Electrical Equipment, Appliances & Components (\$1.6 billion).⁸
- California's second largest export market is Canada, with exports totaling \$16.9 billion in 2015. The top five exports to Canada were: Computer & Electronic Products (\$5.3 billion); Agricultural Products (\$2.5 billion); Food Manufactures (\$1.3 billion); Transportation Equipment (\$1.1 billion); and Chemicals (\$882.7 million).⁹
- In 2015, California exported \$14.4 billion in products to China. The top five exports to China were: Computer and Electronic Products (\$4.8 billion); Machinery, except Electrical (\$1.9 billion); Waste and Scrap (\$1.6 billion); Chemicals (\$1.1 billion); and Transportation Equipment (\$1 billion).¹⁰
- China is the largest source of imports into California. The 2015 value of Chinese imports was \$143.4 billion, followed by Mexico (\$45 billion); Japan (\$38.5 billion); and Canada (\$27.8 billion).¹¹

**Import Value and Numbers of Importers
by Company Types**



**Export Value and Numbers of Exporters
by Company Types**



Trade and Jobs

- There were 889,646 companies in California in 2014.¹² Of those companies, a total of 75,175 (8.4%) exported goods from California, 72,032 (95.8%) were small and medium-sized companies with fewer than 500 employees.¹³
- Small and medium-sized companies generated 44.6% of California's total exports of merchandise in 2013.¹⁴
- Across the U.S. small and medium-sized companies contributed to 33.4% of all export values and 97.7% of total exports in 2014.¹⁵
- In 2014, California had the highest number of small and medium-sized exporting companies at 72,591 followed by Florida with 58,404 exporting companies.¹⁶

- In 2014, merchant wholesalers of durable goods made up the highest number of small and medium-sized exporters and generated the highest values of all export industries at \$93.3 billion. Small and medium-sized companies made up of 96.5% of manufacturing exporters, 99.2% of exporting wholesalers.¹⁷

California's Trade Infrastructure

- In January 2010, President Barack Obama announced the National Export Initiative (NEI) to double the country's total exports by the end of 2014. The initiative also calls for improvements of the U.S.'s transportation and supply chain infrastructure to enable exporters to transport their goods to ports quickly and inexpensively. Exports have been bright for the U.S. economy in the past, but are behind the NEI target as export growth weakened in 2013 (up by 2.8%) compared to prior years (up by 16.7% in 2010, by 14.2% in 2011, and by 4.4% in 2012).¹⁸
- Most recent data suggests that U.S. exports are progressing. In 2013, U.S. exports hit an all-time record of \$2.3 trillion, supporting 11.3 million U.S. jobs, up 1.6 million since 2009. The employment number suggests that the NEI is ahead of schedule in meeting the President's goal in adding 2 million export-supported jobs by the end of 2014.¹⁹⁻²⁰
- In 2015, California's export shipments of merchandise totaled \$165.3 billion, a 15.5% increase from 2010.²¹
- The Port of Los Angeles continues to hold the top rank of two-way trade in 2013 (valued at \$286.1 billion). It is followed by JFK International Airport (\$191.69 billion) and the Port of Houston (\$180.1 billion).²² Data on California's other major ports are as follow: Long Beach (\$109.3 billion, ranked 9th); Los Angeles International Airport (\$91.6 billion, ranked 10th); San Francisco International Airport (\$51.2 billion, ranked 20th); Port of Oakland (\$47.6 billion); Otay Mesa Station (\$37.1 billion).²³
- In 2013, ports in Northern California recorded a 3.8% increase in tonnage from the previous year, accounting for nearly 39 million tons. Southern California also experienced a slight increase in tonnage from 61% to 63%.²⁴
- One study recorded by the Government Accountability Office (GAO) shows that in 2008, commercial wait times at the top five border crossings with Mexico resulted in \$1.9 billion in direct economic loss, 4,939 jobs, and a labor income loss of \$322 million.²⁵
- Another study recorded by the GAO suggests that in 2011, delays in both northbound and southbound commercial traffic at the Calexico East border crossing resulted in economic losses of \$49 million and 334 jobs in Imperial County, as well as losses of \$98 million and 1,000 jobs in the state of California.²⁶
- In the same study, the National Center for Risk and Economic Analysis of Terrorism estimated that adding one U.S Customs and Border Protection officer to any of the top 5 U.S-Mexico border crossing would result in wait time reductions ranging from 1.5 minutes to 7.2 minutes in peak hours, which translates to direct economic benefits of \$915,000 in GDP and 9.3 additional jobs.²⁷

California and Foreign Direct Investment (FDI)

- In 2015, global foreign direct investment (FDI) reached \$1.7 trillion, with the U.S continuing to receive the largest amount of FDI in the world, totally \$384 billion (23% of global FDI).ⁱ
- Japan, Canada, Switzerland, and the EU contributed over 80% of FDI inflows to the U.S.ⁱⁱ
- The largest source of foreign owned enterprises in the U.S. was the U.K. in 2013, which is the most recent data.ⁱⁱⁱ
- California has the highest numbers of employees of foreign affiliates numbered at 631 million, comprising over 10.3% of total U.S. employment by foreign owned firms and 3.7% of total payroll in the state.³¹
- Foreign owned enterprise that support the largest number of workers in California include: Japan (19.3%); the U.K. (14.5%); Switzerland (10.5%); France 10.4%; Germany (10.2%); Canada (6.25); and the Netherlands (4.0%).^{iv}
- California received one of the largest number greenfield projects U.S., which had the highest number in the world. California ranked first in terms of number of projects (230) and fourth in terms of investment value (\$4.0 billion). States with higher amounts include New York and Texas.^v
- The top 5 regions with the highest foreign owned and affiliated businesses are Gateway Cities (796 establishments), South Bay-LAX (741 establishments), San Fernando Valley (725 establishments), San Gabriel Valley (698 establishments), West Side (415 establishments).³²
- The top 5 cities with the highest concentration of foreign owned and affiliated businesses are Los Angeles (1591 establishments), Torrance (310 establishments), Long Beach (212 establishments), Santa Monica (134 establishments), Pasadena (127 establishments).³³

¹ <http://www.bea.gov/iTable/iTable.cfm?reqid=99&step=1%20-%20reqid=99&step=11&isuri=1&9993=levels&9936=-1&9935=-1&9934=5&9995=beastandard&9904=naics&9905=1&9907=2013&9990=99&9901=1200&9902=1&9903=200#reqid=99&step=11&isuri=1&9993=levels&9936=-1&9935=-1&9934=5&9995=beastandard&9904=naics&9905=1&9907=2015&9990=99&9901=1200&9902=1&9903=200>, Bureau of Economic Analysis, "Gross Domestic Product by State", accessed June 24, 2016

² <http://www.census.gov/foreign-trade/statistics/state/data/ca.html>; United States Census Bureau, "State Exports via California," accessed June 24, 2016

³ <http://www.census.gov/foreign-trade/statistics/state/data/imports/ca.html>; United States Census Bureau, "State Imports for California," accessed June 24, 2016

⁴ <http://www.bea.gov/iTable/iTable.cfm?reqid=99&step=1%20-%20reqid=99&step=11&isuri=1&9993=levels&9936=-1&9935=-1&9934=5&9995=beastandard&9904=naics&9905=1&9907=2013&9990=99&9901=1200&9902=1&9903=200#reqid=99&step=11&isuri=1&9993=levels&9936=-1&9935=-1&9934=5&9995=beastandard&9904=naics&9905=1&9907=2015&9990=99&9901=1200&9902=1&9903=200>, Bureau of Economic Analysis, "Gross Domestic Product by State", accessed June 24, 2016

⁵ <http://tse.export.gov/TSE/MapDisplay.aspx>; International Trade Administration, "2015 NAICS Total All Merchandise Exports from California," accessed June 24, 2016

⁶ <http://tse.export.gov/TSE/MapDisplay.aspx>; International Trade Administration, "2015 NAICS Total All Merchandise Exports from California," accessed June 24, 2016

⁷ <http://tse.export.gov/TSE/ChartDisplay.aspx>; International Trade Administration, "2015 NAICS Total All Merchandise Exports from California to the World," accessed June 24, 2016

⁸ <http://tse.export.gov/TSE/ChartDisplay.aspx>; International Trade Administration, "2015 NAICS Total All Merchandise Exports from California to Mexico," accessed June 24, 2016

⁹ <http://tse.export.gov/TSE/ChartDisplay.aspx>; International Trade Administration, "2015 NAICS Total All Merchandise Exports from California to Canada," accessed June 24, 2016

¹⁰ <http://tse.export.gov/TSE/ChartDisplay.aspx>; International Trade Administration, "2015 NAICS Total All Merchandise Exports from California to China," accessed June 24, 2016

¹¹ <https://www.census.gov/foreign-trade/statistics/state/data/imports/ca.html>; United States Census Bureau, "Total U.S. Imports via California," accessed June 24, 2016

¹² <http://censtats.census.gov/cgi-bin/cbpnaic/cbpsect.pl>; United States Census Bureau, "2014 County Business Patterns (NAICS): California," accessed June 24, 2016

¹³ <http://www.trade.gov/mas/ian/statereports/states/ca.pdf>; International Trade Administration, "California: Exports, Jobs, and Foreign Investment," accessed June 24, 2016

¹⁴ <http://www.trade.gov/mas/ian/statereports/states/ca.pdf>; International Trade Administration, "California: Exports, Jobs, and Foreign Investment," last revised February 2016, accessed June 24, 2016

¹⁵ <http://www.census.gov/foreign-trade/Press-Release/edb/2014/edbrel.pdf> U.S. Census Bureau News, "A Profile of U.S. Importing and Exporting Companies, 2013 – 2014", accessed June 24, 2016

¹⁶ <http://www.census.gov/foreign-trade/Press-Release/edb/2014/edbrel.pdf> U.S. Census Bureau News, "A Profile of U.S. Importing and Exporting Companies, 2013 – 2014", accessed June 24, 2016

¹⁷ <http://www.census.gov/foreign-trade/Press-Release/edb/2014/edbrel.pdf> U.S. Census Bureau News, "A Profile of U.S. Importing and Exporting Companies, 2013 – 2014", accessed June 24, 2016

¹⁸ <http://laedc.org/wp-content/uploads/2014/06/LAEDC-IntlTrade-2014.pdf> Los Angeles County Economic Development Corporation, "International Trade Outlook: The Southern California Region, 2014-2015," accessed June 24, 2016

¹⁹ <http://trade.gov/neinext/neinext-strategic-framework.pdf> International Trade Administration, "National Export Initiative Celebrates Three Years," accessed June 24, 2016

²⁰ http://www.whitehouse.gov/sites/default/files/nei_report_091510_extended.pdf; The White House, "Report to the President on the National Export Initiative: The Export Promotion Cabinet's Plan for Doubling U.S. Exports in Five Years," accessed June 26, 2014

²¹ <http://tse.export.gov/TSE/MapDisplay.aspx>; International Trade Administration, "2015 NAICS Total All Merchandise Exports From California," accessed June 24, 2016

²² <http://laedc.org/wp-content/uploads/2014/06/LAEDC-IntlTrade-2014.pdf> Los Angeles County Economic Development Corporation, "International Trade Outlook: The Southern California Region, 2014-2015," accessed June 24, 2016

²³ <http://laedc.org/wp-content/uploads/2014/06/LAEDC-IntlTrade-2014.pdf> Los Angeles County Economic Development Corporation, "International Trade Outlook: The Southern California Region, 2014-2015," accessed June 24, 2016

²⁴ <http://laedc.org/wp-content/uploads/2014/06/LAEDC-IntlTrade-2014.pdf>; Los Angeles County Economic Development Corporation, "International Trade Outlook: The Southern California Region, 2014-2015," accessed June 24, 2016

²⁵ <http://www.gao.gov/assets/660/656140.pdf>; United State Government Accountability Office, "U.S.-Mexico Borders: CBP Actions Needed to Improve Wait Time Date and Measure Outcomes of Trade Facilitation Efforts" accessed June 24, 2016, page 55.

²⁶ <http://www.gao.gov/assets/660/656140.pdf>; United State Government Accountability Office, "U.S.-Mexico Borders: CBP Actions Needed to Improve Wait Time Date and Measure Outcomes of Trade Facilitation Efforts" accessed June 24, 2016, page 55.

²⁷ <http://www.gao.gov/assets/660/656140.pdf>; United State Government Accountability Office, "U.S.-Mexico Borders: CBP Actions Needed to Improve Wait Time Date and Measure Outcomes of Trade Facilitation Efforts" accessed June 24, 2016, page 52.

²⁸ http://www.whitehouse.gov/sites/default/files/2013fdi_report_-_final_for_web.pdf, Executive Summary Foreign Direct Investment in the United States, accessed June 24, 2016

²⁹ http://www.whitehouse.gov/sites/default/files/2013fdi_report_-_final_for_web.pdf, Executive Summary Foreign Direct Investment in the United States, accessed June 24, 2016

³⁰ <http://www.calchamber.com/international/trade/pages/foreigndirectinvestment.aspx>, Impacts of Foreign Direct Investment in the U.S Economy, accessed June 24, 2016

³¹ http://asiasociety.org/files/pdf/Asia_Society_China_CA_Investment_Report_FINAL.pdf, Chinese Direct Investment in California (2012), accessed June 24, 2016

³² <http://laedc.org/reports/FDI-2009.pdf>, "Foreign Direct Investment in Los Angeles Country: Final Report and Survey Results, page 6, May 2009, accessed June 24, 2016

³³ <http://laedc.org/reports/FDI-2009.pdf>, "Foreign Direct Investment in Los Angeles Country: Final Report and Survey Results, page 6, May 2009, accessed June 24, 2016

ⁱ Los Angeles World Trade Center, <http://laedc.org/wp-content/uploads/2016/06/WTCLA-FDI-FINAL-6.16.pdf> "Foreign Direct Investment in Southern California" June 2016; accessed June 24, 2016.

ⁱⁱ Los Angeles World Trade Center, <http://laedc.org/wp-content/uploads/2016/06/WTCLA-FDI-FINAL-6.16.pdf> "Foreign Direct Investment in Southern California" June 2016; accessed June 24, 2016.

ⁱⁱⁱ Los Angeles World Trade Center, <http://laedc.org/wp-content/uploads/2016/06/WTCLA-FDI-FINAL-6.16.pdf> "Foreign Direct Investment in Southern California" June 2016; accessed June 24, 2016.

^{iv} Los Angeles World Trade Center, <http://laedc.org/wp-content/uploads/2016/06/WTCLA-FDI-FINAL-6.16.pdf> "Foreign Direct Investment in Southern California" June 2016; accessed June 24, 2016.

^v Los Angeles World Trade Center, <http://laedc.org/wp-content/uploads/2016/06/WTCLA-FDI-FINAL-6.16.pdf> "Foreign Direct Investment in Southern California" June 2016; accessed June 24, 2016.